

YESTERDAY'S WEATHER
U. S. WEATHER BUREAU,
Aug. 16, 1917.—Last twenty-
four hours: rainfall, 0. Temperature,
Min. 75, Max. 84.
Weather, clear.

Hawaiian Gazette

LATEST CABLED SUGAR QUOTATIONS
Cents Dollars
90° Centrifugals N. Y. per lb. per 100
Price, Hawaiian basis... 7.50 \$180.40
Last previous quota-
tion... 7.21 \$144.20

VOL. XI, NO. 66

HONOLULU, HAWAII TERRITORY, FRIDAY, AUGUST 17, 1917.—SEMI-WEEKLY.

WHOLE NUMBER 4661

REPLY TO POPE IS INDICATED IN SPEECH OF LLOYD GEORGE

Words of British Premier Inter-
preted As Preliminary Expres-
sion of Attitude of Allies To
Proposals For Peace

POSITION OF WILSON ADMITTEDLY DIFFICULT

Question of Alsace-Lorraine
Would Be Stumbling Block For
Any Negotiations Which Might
Be Taken On Papal Suggestions

(Associated Press By U. S. Naval Com-
munication Service)

WASHINGTON, August 17.—Lloyd George, speaking in the British house of commons yesterday, has given the preliminary reply of the Allies to the peace proposals which have come through Pope Benedict, according to the way the diplomats here read the words of the British premier. His words are regarded as a preliminary indication of the attitude to be adopted by the Entente in the event that Germany, claiming to be the victor, should attempt to dictate the terms upon which the war should end.

In the opinion of the diplomats here there will be no early reply to the Pope by the President, and the difficulty that confronts President Wilson is recognized. It is appreciated that he cannot well refuse to enter into a discussion of peace when the suggestion is made by the Vatican, while, at the same time, he must frame his reply to the peace proposal so that his words will harmonize with the statements of aims made by the Allies.

Alsace-Lorraine Puzzles
It is thought here that the question of the Alsace-Lorraine restoration to France, which France has made her minimum in the stumbling block to any progress towards peace along the lines suggested by the Pope. The question of the German colonies is not regarded as so important nor beyond adjudication.

In his statement in London yesterday, Lloyd George said that the difficulties faced by the Allies are daily growing less, while daily the power of the Entente is increasing. In Germany, on the contrary, while their power of offense and defense grows daily weaker, their difficulties are multiplying.

"Next year," said the premier, "the world will begin to reap the fruits of her valor."

Gives Crop Estimates
Preliminary crop estimates throughout the British Isles, reveal, he said, an increase in the stocks of wheat and barley over last year. An increase of nearly 1,000,000 acres under cultivation is also reported.

"There is no chance that, with reasonable economy, England can be starved out. The anti-submarine campaign is improving gradually and good results are being accomplished."

Continuing, Lloyd George said that the net result of the German submarine ruthlessness averaged 820,000 gross tons monthly, while Germany is barely holding her own.

The total new tonnage to be launched the first half of 1918, he announced, would amount to 480,000 tons monthly.

**REPORT OF WOUNDED
AMERICANS DENIED**
(Associated Press By U. S. Naval Communication Service)
WASHINGTON, August 16.—The report that wounded American fighters had arrived in England is officially denied today by the war and navy departments.

ANSWERS to the proposal of Pope Benedict will undoubtedly be made by the Allied nations. David Lloyd George, whose picture is shown below, is believed by diplomats to have indicated the general terms of the reply in a speech before the house of commons yesterday.



SOLDIER KILLED IN MOTORCYCLE CRASH

Another Badly Injured When Machine Just Bought Strikes Runaway Horse

On a motorcycle which he had only purchased yesterday, and for which a contract and receipt for first payment was found in his pocket, P. C. Dennison, a member of the quartermaster's corps at Schofield Barracks, rode to his death on Kalakaua Avenue last night.

Dennison and another soldier named Louis L. Lane, belonging to the Thirty-second Infantry, were riding waikiki on that avenue shortly after seven o'clock. When waikiki of Levers Road the machine crashed into a runaway horse, and the riders were thrown with terrific force to the ground.

The patrol wagon went out in response to a call, the ambulance being out on another case, and on its arrival Hospital Steward Stevenson found the two men lying unconscious on the sidewalk side of the road, with about a score of automobiles drawn up nearby.

At the police station Dennison was in a dying condition and Lane was still unconscious. The former was suffering from what is believed to be a basal fracture of the skull, while Lane had his left hand terribly mangled and was suffering from concussion of the brain.

Both men were removed to the department hospital at Fort Shafter, Dennison expiring en route. Deceased had been employed as engineer on the muck pump at Schofield Barracks.

The horse which caused the trouble is owned by John Colburn III, and was being driven last night in a buggy by a brother of the owner. It ran away somewhere near Kapiolani Park and the buggy is said to have collided with a telephone pole near Ohua Lane and to have become detached from the horse, which was found at the scene of the accident badly injured, and was treated by a local veterinarian.

**SECRET WIRELESS
PLANT DISCOVERED**
(Associated Press By U. S. Naval Communication Service)
BREMEN, Aug. 16.—At a genuine navy officers yesterday reported the discovery of a secret wireless station near Cherbut. It is believed that it has been used for the purpose of communicating with suspicious vessels which have been sighted at different times in the south Atlantic.

STRIKE PROGRAM IS REGARDED MENACE

Department of Justice Considers Action Against I. W. W. and Other Agitators

(Associated Press By U. S. Naval Communication Service)
WASHINGTON, August 16.—Of grave menace to the United States and to its industries so vital and necessary at this time to the successful conduct of the war is seen in the activities of the Industrial Workers of the World and other similar agitators. Their proposed program of strikes in seven States was yesterday laid in full before the department of justice.

Steadily has the menace of the agitators who have been disturbing the business of the United States been gaining recognition by government officials. These have been most evident in the Pacific Northwest, California, Arizona and Montana. Now has come the threat to tie up all important industries in more than half a dozen States. It is the purpose of the department of justice to move swiftly and surely to protect the industrial enterprises upon which so much depends for the nation and its allies. The remedies proposed will be as drastic as they are speedy and the lumber industry, mines and all other enterprises that are needed for war purposes will be given adequate protection.

Officials generally incline to the belief that the trouble arises not out of labor and working conditions, but are of a political nature. An effort will be made today to settle the street car strike in Kansas City, according to dispatches from there last night. This strike was precipitated by demands for the unionization of the railroad, while the managers stood determinedly for the "open shop." The basis for the proposed arbitration will be the wage scale.

BRITISH PRESS IS WARM IN ITS PRAISE

Columns Given To Account of Parades of Railroad Engineers

(Associated Press By U. S. Naval Communication Service)
LONDON, August 16.—Newspapers are today giving columns of space to the march of United States railroad engineers through the streets of London, praising the men for splendid soldierly appearance. Many pictures taken along the route are also being reproduced.

Lieutenant In German Navy Arrested As Spy and Maps Are Seized

(Associated Press By U. S. Naval Communication Service)
SAN FRANCISCO, August 16.—With the arrest of Lieutenant Irving Schneider of the German navy and Theodore Kasinger yesterday afternoon Federal officials believe that they have in custody two members of a Teuton band of spies, that the band has been disrupted and their nefarious undertakings brought to an inglorious end.

Lieutenant Schneider was an officer in the German navy and proudly wears an iron cross which was conferred upon him. He was arrested as a spy under a presidential warrant. When arrested incriminating papers and maps were found in his possession and seized for use as evidence against him and his alleged co-conspirators.

Theodore Kasinger was taken into custody on charges of having aided Lieutenant Schneider in the securing of maps of Fort McDowell and other military defenses of the United States.

Officials declare that their two prisoners occupied a suite of apartments with four Austrian army officers who were recently here and who were, it is claimed engaged on a spying mission. The net is spread for their arrests, also for it is thought that they have not been able to leave the country but are in disguise in some other of the large cities.

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Neither in your language nor in my own can I find words. I have not the vocabulary in either to express for myself and my colleagues our deep appreciation of the welcome that has been extended to us. The genuine sincerity with which it was extended to us will be reciprocated by a sense of lasting obligation on the part of the whole Japanese nation.

JAPANESE MISSION OFF TO WASHINGTON

Viscount Ishii Says Nothing That Foes Can Do Would Now Divide Friendship

(Associated Press By U. S. Naval Communication Service)
SAN FRANCISCO, August 16.—Went by delighted with the reception extended to the members and the entertainments and courtesies which they have enjoyed during their stay here, the Japanese special mission to the United States left last night for Washington.

Yesterday was devoted to sightseeing and there were no formal entertainments or functions and no speechmaking.

Before leaving, Viscount Ishii gave an interview to the Associated Press in which he said: "We now know that nothing that our enemies can do will divide one two nations, the United States and Japan."

SENATE PROCEEDS IN WAR TAX MEASURES

Upper House Is Passing Bill Section By Section

(Associated Press By U. S. Naval Communication Service)
WASHINGTON, August 16.—Section by section the senate considered the War Revenue Bill yesterday. It approved the liquor sections including the provision which puts a prohibitory tax on grain to be used for distilling and the stamp taxes except those on bank checks, parcels post and moving picture tickets. It was decided to eliminate the general ten per cent ad valorem duty that was proposed and also to eliminate the taxes on jewelry, musical instruments and moving pictures.

After their period of intensive training and finishing, some of the recruits will be assigned to regiments at the front, to take the places of regular officers required as instructors for other new officers, while others of the new recruits will be brought back to the United States as instructors for the National Army regiments and in the officers' training schools.

The intensive training schools behind the front are being conducted on a large scale, the British and French sending even their seasoned officers there, detaching them from their commands prior to promotions in order that they may be kept well abreast of the developments of the science of war, in which each month brings changes and new ideas so rapidly that officers on one section of the front are unable at times to keep up with the lessons learned in action on other sections.

A number of the regular army officers now in France have been assigned to the British and French schools.

ALLIES IN FLANDERS DRIVE TEUTONS BACK AND RETAIN ALL GAINS

British and French Conduct Furious Drive Along Wide Front, Flank Enemy, Capture Trenches and Towns With Hundreds of Prisoners and Many Guns

COUNTER ATTACKS FAIL

(Associated Press By U. S. Naval Communication Service.)
LONDON, August 17.—Continuing their campaign of a relentless pressure upon the German lines in Flanders, with blows falling at various points, the British and French yesterday launched a drive along a nine-mile front from St. Julien, held by the British since their last offensive, to a point west of Dixmude, held by the French.

The British, forming the right of the advance, gained all their objectives, while the French made signal advances, driving the Germans across the Yser Canal and wresting from them the bridgehead at Dry Grachten. The French struck north along the Steenstraete-Dixmude road and effected the crossing of the Steenbeck River, the advance bringing them within three miles of Dixmude, the French objective on this section of the Flemish front.

The German trenches, defended by the Yser Canal, were taken along a front of two miles, the French flanking the enemy and forcing them to fall back through a heavy barrage, in which operation the Germans lost heavily.

BRITISH TAKE PRISONERS

The village of Longemarek, five miles northeast of Ypres, which has been occupied as a headquarters point by the Germans since 1914, was carried with a rush by the British infantrymen, prisoners numbering eighteen hundred surrendering at this place. Among those taken are thirty-eight officers, while the spoils include five cannons and a large number of machine guns and munitions.

At Lens there was heavy fighting, the Germans launching a succession of attacks in an endeavor to regain the positions taken on Wednesday by the Canadians. In no instance did the German counters gain them anything, while their dead littered the ground over which they had attempted to advance.

HUNS LOSE HEAVILY

The British consolidated and held their gains of the day, despite fierce counters delivered by Prince Rupprecht throughout the afternoon, when his supporting battalions had been brought up. The Germans repeatedly endeavored to wrest back the Longemarek lines, their losses in these fruitless efforts being very heavy.

Admit 'Local Losses'

Official despatches sent out by the German war office admit the German losses at Longemarek and east of Ypres, but announce that the Anglo-French offensive as a whole was shattered and ended in failure. Only local successes were gained, says the Berlin announcement, while the losses of the Allies were heavy. According to Berlin, the offensive was launched along an eighteen-mile front in Flanders.

Berlin likewise reports the shelling of St. Quentin by the French, on the Somme, fifty miles to the south of the Ypres fighting. St. Quentin has for months been well within range of the Allies' artillery, but an effort has been made directly to dislodge the Germans there because of the damage that would result from a bombardment. Yesterday, reports Berlin, the French guns opened up on the city, three thousand shells bursting in the prebtery of the cathedral alone, these setting fire to the famous structure. The fire burned all Wednesday night, the cathedral being gutted.

Vandalism Suspected
The suspicion is voiced in the London press that the announcement of the burning of the St. Quentin cathedral, which is a noted Gothic structure, dating back to the twelfth century, is an advance excuse for further German vandalism, preparatory to an evacuation of St. Quentin. It is believed that the Germans have themselves fired the building and are preparing to destroy the city, as they did Peronne and other towns evacuated under pressure.

In a statement made in the commons last night, Premier Lloyd George announced that the British advance had reached well beyond Longemarek, with the Tommies beating back the German counters and following up their advantages by fresh advances.

No reports have been received from Rome or Petrograd, but Berlin announces that von Mackensen is progressing in his drive in Rumania and has taken thirty-five hundred prisoners in the Sereth region, with sixteen cannons.

Vienna despatches state that Austrian aviators dropped four tons of bombs on Venice and defeated the Italian flyers sent against them. Five Italian machines were destroyed and three Austrian have failed to return.

RESOLUTION HURTS FEELINGS OF HUNS

Proposals That Foreign Newspapers Print Translations Are Not Acceptable

(Associated Press By U. S. Naval Communication Service)
AMSTERDAM, August 16.—Referring to the bill introduced in congress by Senator King of Utah to compel alien papers publishing war news in foreign languages to print parallel to such news the English translation of the articles, German papers declare that "henceforth there are two classes of citizens in the United States—the Anglo-Saxon rulers and the German servants."

REORGANIZATION OF ARMY DECIDED UPON

Regulars Will Form Twenty-five Divisions, National Guards Fifty, National Army Balance

(Associated Press By U. S. Naval Communication Service)
WASHINGTON, August 16.—An announcement was made today by the war department of a complete reorganization of the army system which will provide that the regular army organizations will make up the first twenty-five divisions. Divisions Twenty-six to Twenty-nine, inclusive, will be composed of national guard organizations, while from the Seventy-sixth Division onward will be made up of the so-called national army secured from the draft.

All infantry divisions are to be composed of headquarters, a battalion of machine guns, two infantry and one artillery brigades, an engineer regiment, a battalion of signal corps, four hospital companies, four ambulance companies, and supply trains.

An infantry brigade is to consist of two regiments of infantry and three companies of machine guns. An artillery brigade will consist of three regiments of artillery and a battery of trench mortars.

**ANXIETY IS FELT FOR
STEAMER LONG OVERDUE**
(Associated Press By U. S. Naval Communication Service)
SAN FRANCISCO, California, August 16.—Great anxiety is being felt for the safety of the Kotchira Maru, 34 days out from Kobe. She is 15 days overdue, and has not been reported by any passing steamers.